



THE UNITED STATES
BANKRUPTCY COURT



FOR THE DISTRICT
OF ARIZONA

U.S. BANKRUPTCY COURT NEWSLETTER

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Terry Miller Leaves USBC D/AZ Position For USBC MD/PA Clerkship May 2, 2008

Arizona Bankruptcy Clerk Terry Miller resigned his position May 2, 2008 to become Clerk of the U.S. Bankruptcy Court, Middle District of Pennsylvania. He replaces retiring Clerk Arlene E. Righter.

Terry's five-year tenure at the Arizona bankruptcy court was marked by outstanding achievement. He will be remembered for his strong legacy of service to the public and the bar, his contributions to the fulfillment of the court's strategic planning goals, and his emphasis on goals in automation and the adoption of new technologies.

court self-help centers in the nation led to his selection as Bankruptcy Clerk representative to PICO, the Ninth Circuit Public Information and Community Outreach Committee. The Tucson court office now also provides an on-site Self-Help Center and

ruptcy Education Committee. He was a presenter for the group's Bankruptcy Education seminars at the Phoenix Fresh Start Women's Foundation.

* *Web Site Development:* Terry's commitment to excellence in public service also led to the redesign of the court's public web site. Input and guidance in this process was provided by the Strategic Planning Website Redesign Committee (now the Website Development Committee), and a contractor was hired for the actual design stage. A permanent Web Developer position was added to the court's IT department. (MIS)



the services of a volunteer attorney. In addition, Terry and managers Randy Merrill and Nancy Dickerson made self-help visits to population centers throughout the state, with a view to creating permanent remote self-help centers for Arizona residents filing bankruptcy. Terry's outreach activities also included active membership in the Strategic Planning Bank-

* *vCal Growth and Development:* Terry also contributed to the success of the court-developed vCal Automatic Calendaring program by hiring a new software developer, as well as by supporting MIS's re-

(Continued on page 3)

§

Arizona's U.S. Bankruptcy Court Newsletter is a publication of court policies, procedures, and information designed to assist the public and members of the bar.

Redfield T. Baum, Chief Judge

George B. Nielsen, Jr., Judge

Sarah Sharer Curley, Judge

James M. Marlar, Judge

Charles G. Case II, Judge

Randolph J. Haines, Judge

Eileen W. Hollowell, Judge

Michael R. Temple, Acting Clerk of Court

Marta H. Labus, Editor

Online 341 Meeting Calendar Inaugurated 05/12/08

May 12 marks the debut of a new feature that further enhances the functionality of the USBC web site: a 341 Meeting Calendar application.

The calendar is located just below the court hearing calendar in the menu to the left of the court's home page.



When you click on the link, a default display appears, showing all meetings scheduled for the current date, with all trustees and all 341 Meeting locations selected.



The data may be filtered by using any of the following search criteria:

- Date, including a start date and end date
- Trustee
- Location
- Debtor or debtor attorney name
- Case number

Search results appear in a "Tree" view. You can use the "+" or "-" signs to expand or collapse the nodes in the tree.

<input type="checkbox"/> Phoenix, AZ - Hearing Room US Trustee Meeting Room, 230 N. First Avenue, Suite 102	
<input type="checkbox"/> EDWARD J. MANEY	
<input type="checkbox"/> Phoenix, AZ - Hearing Room US Trustee Meeting Room, 230 N. First Avenue, Suite 102	
<input type="checkbox"/> EDWARD J. MANEY	
<input type="checkbox"/> Wednesday, 5/7/2008	Attorneys:
<input type="checkbox"/> Wednesday, 5/14/2008	- ASHETON B. CALL
9:00 AM Chapter: 13	Attorneys:
Case Number: 2:08-bk-03373-JMM	-
Debtors: JERRY SIMS SIMPSON and MAGDALENA SIMPSON	
Chapter: 13	Attorneys:
Case Number: 2:08-bk-03376-CGC	-
Debtors: VENTURA GARCIA VILLA	
Chapter: 13	Attorneys:
Case Number: 2:08-bk-03382-RJH	-
Debtors: STACY MUHAMMAD and PATRICK M MUHAMMAD	
Chapter: 13	Attorneys:
Case Number: 2:08-bk-03387-JMM	-
Debtors: LONNY T SCARBOROUGH and PATRICIA K SCARBOROUGH	

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Terry Miller Leaves USBC D/AZ Position For USBC MD/PA Clerkship May 2, 2008

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quest and subsequent receipt of \$200,000 in IT grant funding. He traveled with the vCal development/training team to sell the program to the Third Circuit, which subsequently adopted the program district-wide. In 2006 a highly successful vCal Summit was spon-

sored by the District of Arizona, with attendees from 24 vCal user courts across the country.

- * *Telework and Staff Development:* Among Terry's other significant accomplishments during his tenure as Clerk was the creation of a telework policy and the adoption

of a telework program for all staff in 2007. Terry's commitment to staff training and development was manifested in his support for the Individual Development Planning program inaugurated in 2005. He also authorized funding for court managers and staff

(Continued on page 8)

Online 341 Meeting Calendar Inaugurated 05/12/08

(Continued from page 2)

The 341 Meeting calendar also has a crossover connection to the USBC calendar. If a case that displays has hearings currently scheduled in the court, the case number is hyperlinked to the court's calendar. Simply click the case number to switch to the court's calendar for that case.

□ Phoenix, AZ - Hearing Room US Trustee Meeting Room, 230 N. First Avenue, Suite 102
□ EDWARD J. MANEY
□ Wednesday, 5/14/2008
12:30 PM Chapter: 13 Attorneys: Case Number: 2:07-bk-06219-RTB ← Debtor: CHRISTINA M. WALKER
□ Yuma, AZ - U.S. Bankruptcy Court U.S. District Court Building, 325 West 19th Street

Finally, there is an alternate, simplified display that will appear whenever a user specifies a party (debtor or debtor attorney) or case number in the filter criteria. In these instances, the results will be organized by date and time only, and the trustee and location information will appear in the meeting information:

□ Thursday, 5/1/2008
1:30 PM Chapter: 7 Attorneys: Case Number: 2:08-bk-03161-SSC - CHARLES M. SABO Debtor: JOAN D. SHELTON Trustee: ANTHONY H. MASON Location: Hearing Room US Trustee Meeting Room 230 N. First Avenue, Suite 102 Phoenix, AZ
Chapter: 7 Attorneys: Case Number: 2:08-bk-03164-CGC - CHARLES M. SABO Debtor: CAROL A. MILLWARD Trustee: ANTHONY H. MASON Location: Hearing Room US Trustee Meeting Room 230 N. First Avenue, Suite 102 Phoenix, AZ

Tucson Bankruptcy Judges, Attorneys Volunteer Services As CARE Program Presenters

*By Jannis Medina, Judicial Assistant
to Judge Eileen W. Hollowell*

The CARE (Credit Abuse Resistance Education) Program was begun in November 2002 by Bankruptcy Judge John C. Ninfo II of Rochester, New York (WD/NY). Judge Ninfo's program overview statement describes the goal of CARE as "to alert middle school, high school and college students to the many consequences of consumer credit abuse." Its stated purpose is to try to bring some financial literacy to young people before they get into trouble with too easily avail-

states and the District of Columbia. After Judge Eileen W. Hollowell heard about the CARE Program at a National Conference of Bankruptcy Judges committee meeting and from Judge George B. Nielsen, Jr.; United States Trustee Ilene Lashinsky; and Phoenix attorney Carolyn Johnsen of Jennings, Strouss & Salmon, she decided to get involved. The CARE Program had already begun in Phoenix, with Ms. Johnsen as the contact person for educational institutions interested in scheduling programs, so Judge Hollowell

Chorost; Eric Sparks; and Michael McGrath of Mesch, Clark & Rothschild, P.C.; together with Ramona Ball of HUD; gave their first presentation to six classes at Santa Rita High School. The students were quite responsive, and they seemed to have enjoyed the presentations.

The second presentation, which was also to six classes, took place on January 31, 2008 at Cholla Magnet High School. At Cholla, Judge James M. Marlar joined Judge Hollowell and attorneys Eric Sparks; How-



Erik Sparks explains the CARE concept to students at Cholla Magnet High School as Howard Chorost and Judge Eileen W. Hollowell observe. At the computer is Tucson Automation Support Specialist Shawn Jones.

able credit. One of CARE's principal lessons is to use cash as much as possible and to encourage people to use cash "if it's under \$20 or if they can eat or drink it."

The CARE Program has been so successful that it now has a presence in all 50

thought it would be good to launch the program in Tucson.

Judge Hollowell immediately contacted possible volunteers for the presentations. On December 14, 2007, Judge Hollowell and Tucson attorneys Howard



Judge James M. Marlar addresses students at Cholla Magnet High School.

ard Chorost; Dennis Clancy of Raven, Awerkamp & Clancy, P.C.; and Sara Derrick of Mesch, Clark & Rothschild, P.C. Shawn Jones of our Tucson MIS Department has been valuable and instrumental in assisting with the computer/PowerPoint aspects of the presentations, and

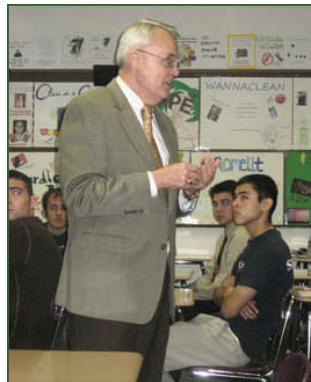
(Continued on page 9)



CARE

Phoenix CARE Presenters Include Judge George B. Nielsen, Jr.; Attorneys Carolyn Johnsen, Marcia Bushing, Cary Forrester

Adapted from an article by Corrine T. Frayer in The Ahwatukee Foothills News, March 4, 2008. Sections of the article have been reprinted with the permission of Ms. Frayer and the newspaper.)



Judge George B. Nielsen, Jr. addresses an economics class at Mountain Pointe High School in Ahwatukee.

—(Photo by Corrine T. Frayer/
Ahwatukee Foothills News)

Bankruptcy Judge George B. Nielsen, Jr. and attorneys Carolyn Johnsen (the CARE Arizona coordinator), Marcia Bushing, and Cary Forrester have been giving CARE presentations to Phoenix high school students for the past three years. Economics teacher David Nach at Mountain Pointe High School in Ahwatukee has invited the CARE team to present to his students every semester for the last two years. Their most recent presentation to Mr. Nach's classes was February 29, and participant comments testified to the impact of the program.

The program involves a 60-to 90-minute PowerPoint presentation and covers various topics, including how credit cards work, what good credit means, budgeting, interest rates and saving.

"We also try to throw in stories from clients that the

kids will be familiar with," [Ms.] Johnsen said.

The presenters began by showing a video of a Saturday Night Live skit called "Don't Buy Stuff You Cannot Afford." Afterwards, [Judge] Nielsen talked about making money-smart decisions, wants versus needs, and late fees.

"A wonderful way to handle our finances is to know the differences between wants and needs," [Judge] Nielsen said to the class. "If you must charge something, charge needs. None of this is rocket science, just things we need to keep in mind as we make our financial decisions."

Attorney Cary Forrester explained credit card interest rates. "Credit card companies are the richest companies in the world," [Mr.] Forrester said. "They are the one company that can change their contract, but if you pay on time the interest rate doesn't matter."

Attorney Marcia Bushing showed students a sample budget comparable to a recent college graduate making \$1,600 a month. She also told students about Pete, a young client of hers who struggled with student loans and managing a budget, and Kathy, a 50-year-old divorced woman who let depression lead her into debt.

"The take-away I want to give you is spend little, save a lot," [Ms.] Bushing said.

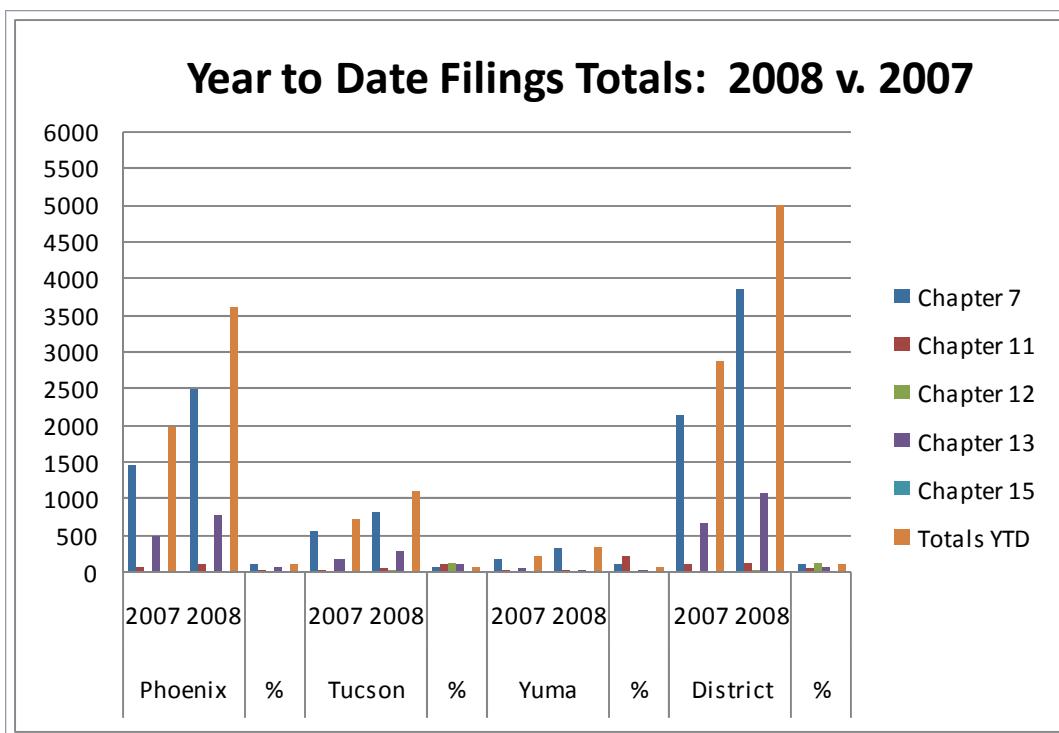
Mountain Pointe students listened to her message. They were impressed by both the presenters' knowledge and the in-depth credit information they provided. Student evaluations gave the presenters high marks. There's not much doubt that the CARE team will be back at Mountain Pointe next year.



CARE

2008 January-April Case Filings Show 74.5% Increase Over 2007 Filings; Over 5000 Cases Filed District-Wide

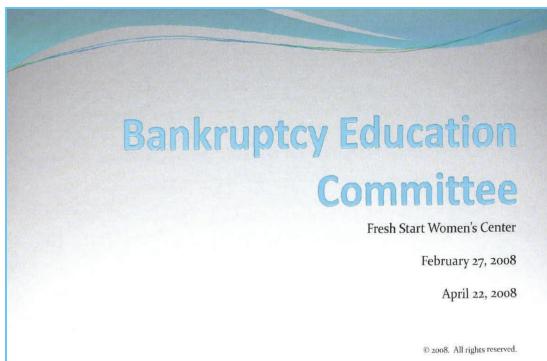
YEAR TO DATE TOTALS	PHOENIX		%	TUCSON		%	YUMA		%	DISTRICT		%
	2007	2008		2007	2008		2007	2008		2007	2008	
Chapter7	1441	2748	90.7	535	790	47.7	166	303	82.5	2142	3841	79.3
Chapter11	65	71	9.2	9	16	77.8	4	12	200.0	78	99	26.9
Chapter12	0	0	0.0	0	1	100.0	0	0	0.0	0	1	100.0
Chapter13	459	775	68.9	163	279	71.2	29	12	(58.6)	651	1066	63.8
Chapter15	0	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0
Totals YTD	1965	3594	82.9	707	1086	53.6	199	327	64.3	2871	5007	74.4



Bankruptcy Education Committee Presents Educational Seminar at Fresh Start Women's Foundation April 22

Since the beginning of the year, the USBC's Strategic Planning Bank-

ruptcy court and the resources available to those contemplating filing for



ruptcy Education Committee has presented two Bankruptcy Education seminars at the Fresh Start Women's Foundation. The first presentation was held February 27 and the second on April 22.

Presenters at the April 22 Bankruptcy Education program included Judge Randolph J. Haines; Ilene Lashinsky, United States Trustee for the District of Arizona; Randy Merrill, Operations Manager; Robert MacKenzie, Chapter 7 Trustee; and bankruptcy attorneys Diane Drain and Madeleine Wanslee.

Randy Merrill introduced the program objectives: (1) to have a better understanding of the new (post-BAPCPA) bankruptcy process. (2) to dispel misconceptions of bankruptcy (3) to become aware of the federal

bankruptcy.

Ms. Lashinsky discussed her office's function, explained filing eligibility, and compared and contrasted filing requirements for Chapter 7 and Chapter 13 bankruptcies. Mr. MacKenzie described the role of each player in a bankruptcy case and outlined the function of the case trustee and the concept of the bankruptcy estate. Ms. Drain dealt with the relative advantages of choosing to file either a Chapter 7 or a Chapter 13 bankruptcy. She also explained secured v. unsecured debt and described how a Chapter 13 plan works. Ms. Wanslee went on to explain the bankruptcy discharge and defined dischargeable debt. Ms. Drain then focused on attorney services, attorneys' fees, and the effect of bankruptcy on obtaining credit.

Finally, Randy Merrill offered an overview of online USBC and bankruptcy-related resources for parties in bankruptcy cases, focusing especially on the court's Self-Help Center for pro se filers.

Judge Haines provided additional commentary on all topics and answered questions from the audience. In response to a request for clarification of the "341 First Meeting of Creditors," he explained that the term derives from the English practice of holding three meetings of creditors for the examination of debtors. At the third meeting, creditors voted on whether to discharge the debtor or put him to death. Other questions from the audience concerned bankruptcies stemming from medical or gambling debts, student loan and tax debt, and how to locate attorneys and sources of legal aid. At the end of the program, participants had the opportunity to consult with the panelists on individual concerns.

The Strategic Planning BEC's highly successful Bankruptcy Education seminar will be offered again at the Fresh Start Women's Foundation Tuesday, September 23 and Tuesday, November 18, 2008.



USBC's ADR Program Featured in *The Third Branch*

The February 2008 issue of *The Third Branch*, the Administrative Office of the U.S. Courts' publication for the federal judiciary, featured an article on the facilitated negotiation process available for dispute resolution at more than two-thirds of U.S. Bankruptcy Courts.

The Arizona bankruptcy court's Alternative Dispute Resolution program was among the successful mediation programs cited by the article. *The Third Branch* describes the program and quotes former Clerk Terry Miller as follows:

"One of the newer programs is offered by the U.S. Bankruptcy Court for the District of Arizona, which began its Alternative Dispute Resolution (ADR) program in 2004.

"That court has had nine

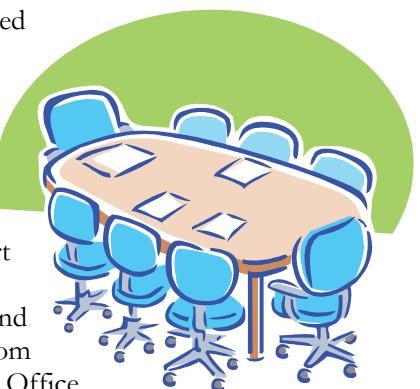
cases assigned to mediation in the past three years, and [former] Bankruptcy Clerk of Court Terry Miller reports that 'the reaction has been very positive within our legal community.'

"The court worked very closely and very early on with the local bankruptcy bar to create a successful program,' Miller said. 'A local ADR committee was created, and its membership consisted of judges, local attorneys, and clerk's staff.'

The court's Alternate Dispute Resolution program grew from its commitment to enhancing its performance of certain mission-critical functions (e.g., Case Management and Dispute Resolution) identified through annual Strategic Planning workshops. General Order 92 of April 30, 2004 formally established the ADR program, which includes both compensated

and uncompensated mediators. The ADR Strategic Planning Committee was formed in 2003. The committee, consisting of court judges, attorneys, court managers, and representatives from the U.S. Trustee's Office, laid the foundation for the program by working with the bankruptcy bar, researching "best practices" from other bankruptcy districts, and coordinating FJC-sponsored training classes in mediation.

Lists of compensated and uncompensated mediators, the text of Local Rules 9072-1 through 9072-9, setting forth mediation requirements, and mediation forms for download are all available on the court's web site at www.azb.uscourts.gov.



Terry Miller Leaves Position for MD/PA Clerkship May 2, 2008

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to attend annual National Conference of Bankruptcy Clerks seminars.

Terry began his service with the Arizona bankruptcy

court May 5, 2003. He came to the District of Arizona from the Middle District of Florida bankruptcy court, where he served as Chief Deputy Clerk. He previously held court management positions in Michigan,

Maryland, and Florida. He holds an M.S. in Judicial Administration from the University of Denver College of Law.

Tucson Bankruptcy Judges and Attorneys Volunteer Services As CARE Program Presenters

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Judge Hollowell is very grateful to her.

The USBC has received evaluation forms from the students attending the programs, and overall they commended the presenters on what they learned (*i.e.*, how interest works; the difference between debit and credit cards; staying away from

fast cash places; how to use credit cards wisely; and last, but not least, if you don't have the money, don't buy it).

Judge Hollowell also scheduled two additional school presentations for spring 2008: Challenger Middle School on March 7 and Saguaro High School on April 4.



CARE

If you would like to learn more about the CARE Program and review program materials, please visit their website:
www.careprogram.us.

Can You Believe It? Important Consumer Credit Statistics From the CARE Program Web Site



- ☛ In 2006, Americans paid 55 Billion Dollars (\$55,000,000,000.00) in consumer late charges.
- ☛ The average American has nine (9) credit cards and Americans are carrying 2.5 Trillion Dollars of consumer debt exclusive of mortgages.
- ☛ In 2007 there were 200,000 bankruptcies filed by 18-25 year-olds.
- ☛ 70% of Americans live paycheck to paycheck, and Americans spend \$1.22 for every \$1.00 they make.
- ☛ There is now a 401(k) debit card.
- ☛ 60% of students say they never had a meaningful conversation with their parents about finances.

**United States Bankruptcy Court
District of Arizona
Filing Statistics Analysis
Calendar Year 2008 v. 2007**

<u>CHAPTER 7</u>	<u>PHOENIX</u>		<u>%</u>	<u>TUCSON</u>		<u>%</u>	<u>YUMA</u>		<u>%</u>	<u>DISTRICT</u>		<u>%</u>
	<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>	
	January	273	522	91.2	106	126	18.9	31	63	103.2	410	711
February	320	590	84.4	122	160	31.2	37	53	43.3	479	803	67.6
March	431	755	75.2	167	245	46.7	57	93	63.2	655	1093	66.9
April	417	881	111.3	140	259	85.0	41	94	129.3	598	1234	106.4
May	417			199			39			655		
June	423			200			44			667		
July	458			173			64			695		
August	529			193			61			783		
September	474			155			54			683		
October	550			221			71			842		
November	543			210			44			797		
December	543			149			52			744		
TOTALS	5378			2035			595			8008		

<u>CHAPTER 11</u>	<u>PHOENIX</u>		<u>%</u>	<u>TUCSON</u>		<u>%</u>	<u>YUMA</u>		<u>%</u>	<u>DISTRICT</u>		<u>%</u>
	<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>		<u>2007</u>	<u>2008</u>	
	January	12	21	75.0	0	1	100.0	2	5	40.0	14	27
February	27	17	(37.0)	2	5	150.0	0	2	200.0	29	24	(17.2)
March	15	15	0.0	4	5	25.0	1	3	200.0	20	23	15.0
April	11	18	63.6	3	5	66.7	1	2	100.0	15	25	66.7
May	18			4			0			22		
June	13			1			1			15		
July	14			1			6			21		
August	12			6			0			18		
September	9			3			1			13		
October	21			3			5			29		
November	16			2			3			21		
December	18			5			0			23		
TOTALS	186			34			20			240		

**United States Bankruptcy Court
District of Arizona
Filing Statistics Analysis
Calendar Year 2008 v. 2007**

<u>CHAPTER 13</u>	<u>PHOENIX</u>		% 2007	<u>TUCSON</u>		% 2007	<u>YUMA</u>		% 2007	<u>DISTRICT</u>		% 2007
	2007	2008		2007	2008		2007	2008		2007	2008	
January	113	164	45.1	42	63	50.0	13	2	(84.6)	168	229	36.3
February	120	190	58.3	29	53	82.8	3	4	33.3	152	247	62.5
March	106	216	103.8	48	79	64.6	8	2	75.0	162	297	83.3
April	120	205	70.8	44	84	90.9	5	4	(20.0)	169	293	73.4
May	128			42			5			175		
June	146			54			13			213		
July	120			48			5			173		
August	151			64			5			220		
September	148			55			9			212		
October	173			62			10			245		
November	155			43			7			205		
December	157			63			4			224		
TOTALS	1637			594			87			2318		

<u>TOTAL FILINGS</u>	<u>PHOENIX</u>		% 2007	<u>TUCSON</u>		% 2007	<u>YUMA</u>		% 2007	<u>DISTRICT</u>		% 2007
	2007	2008		2007	2008		2007	2008		2007	2008	
January	398	707	77.6	148	190	28.4	46	70	52.2	592	967	63.4
February	467	797	70.7	153	218	42.5	40	59	47.5	660	1074	62.7
March	552	986	78.6	219	330	50.7	66	98	48.5	837	1414	68.9
April	548	1104	101.5	187	348	86.1	47	100	112.8	782	1552	98.5
May	563			246			44			853		
June	582			255			58			895		
July	592			222			75			889		
August	692			263			66			1021		
September	631			213			64			908		
October	745			286			86			1117		
November	715			255			54			1024		
December	719			217			56			992		
TOTALS	7204			2664			702			10570		

Downtown Phoenix's Copper Square: *Construction Closures Continue*



First Street Closed 03/13/08-05/30/2008 Between Fillmore and Van Buren

- First Street will be closed between Fillmore and Van Buren for utility installation. Several contractors working on various projects have partnered to complete their work during this closure.
- When: March 13 through May 2008
- Duration: 24 hours
- Use 2nd, Central, or 5th Streets for northbound travel. Use 7th or 2nd Streets or 1st Avenue for southbound travel.